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GLOBAL SOLUTION ENGINEERING LIMITED **環球工程有限公司***

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8192)

ANNOUNCEMENT

**in relation to concentration of public float in
the hands of a limited number of shareholders
and**

**pursuant to Rule 3.7 of the
Hong Kong Code on Takeovers and Mergers (the “Takeovers Code”)**

The Board was informed by the Stock Exchange that based on the information provided by SFC, there was a high concentration of the Company’s public float in the hands of a limited number of shareholders as at 11 May 2007 and there were exceptional price and trading volume movements in the shares of the Company on 11 May 2007. On that day, the share price of the Company rose 22.2% from the previous close of HK\$0.45 to HK\$0.55. However, the market turnover was only 1,218,000 shares or HK\$710,270.

The Company makes this announcement to clarify the issues and keep the market informed.

The Company also makes this announcement pursuant to Rule 3.7 of the Takeovers Code in relation to matters announced in the Company’s announcement on 10 May 2007.

In view of the high concentration of the shares in the hands of a small number of shareholders, the price of the shares could fluctuate substantially even with a small number of shares traded, shareholders and potential investors are reminded to exercise caution when dealing in the shares of the Company.

This announcement is made at the request of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) to provide information to the public in respect of possible concentration of public float in the hands of a limited number of shareholders and also pursuant to Rule 3.7 of the Takeovers Code.

* *for identification purpose*

Concentration of public float in the hands of a limited number of shareholders

The board of the Directors (the “**Board**”) of Global Solution Engineering Limited (the “**Company**”) has recently been informed by the Stock Exchange that, according to information provided by the Securities and Futures Commission (the “**SFC**”), there appeared to be a high concentration of the Company’s public float in the hands of a limited number of shareholders as at 11 May 2007.

As at 11 May 2007, the Board notes that a total of 86,400,000 shares were issued and a total of 54,600,000 shares (representing 63.19% of the entire issued share capital of the Company) were held by 3 substantial shareholders as follows:

Name of Shareholder	Existing Shareholding	
	No. of shares	%
Elite Side Profits Limited (<i>Note 1</i>)	33,000,000	38.19
Data Expert Limited (<i>Note 2</i>)	12,960,000	15.00
Peak Achieve Limited (<i>Note 3</i>)	8,640,000	10.00
	<u>54,600,000</u>	<u>63.19</u>

Notes:

- (1) These shares are beneficially owned by the Controlling Shareholder, the entire issued share capital of which is wholly and beneficially owned by Mr. Chu Yen Ling, the Chairman and executive Director.
- (2) These shares are beneficially owned by Data Expert Limited, the entire issued share capital of which is wholly and beneficially owned by Ms. Liu Peng.
- (3) These shares are beneficially owned by Peak Achieve Limited, the entire issued share capital of which is wholly and beneficially owned by Ms. Siu Yuk Chu.

The Board further notes that, as at 11 May 2007, a total of 6,000,000 shares (representing 6.94% of the entire issued share capital of the Company) were held by Grand Ever Limited (which, together with its ultimate beneficial owner, are independent third parties and not connected persons of the Company), which together with the shares held by the substantial shareholders as set out above, represent 70.13% of the entire issued share capital of the Company.

The Board has been advised by the Stock Exchange that according to the information the Stock Exchange received from the SFC that approximately 19,380,000 shares (representing approximately 22.43% of the entire issued share capital of the Company) were held by 13 other shareholders of the Company.

Accordingly, an aggregate of approximately 92.57% of the entire issued share capital of the Company were held by the 3 substantial shareholders, Grand Ever Limited and the 13 other shareholders, leaving only 7.43% of the entire issued share capital of the Company in the hands of other investors.

Save as disclosed herein and according to the information available to the Company, no other Directors or any of their respective associates (as defined in the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange (the “**GEM Listing Rules**”)) is interested in the share capital of the Company and no other shareholder is entitled to exercise more than 10% of the voting rights at the general meetings of the Company.

According to the above, only 63.19% of the entire issued share capital of the Company were held by 3 substantial shareholders of the Company, which are not considered as shares held in the hands of the public. The remaining 36.81% of the entire issued share capital of the Company are in public hands. Accordingly, the Company is in compliance with the public float requirement under Rule 11.23(1) of the GEM Listing Rules.

In view of the concentration of the Company’s public float in the hands of a small number of shareholders as at 11 May 2007, and that there were exceptional price and trading volume movements in the shares of the Company on 11 May 2007. On that day, the share price of the Company rose 22.2% from the previous close of HK\$0.45 to HK\$0.55. However, the market turnover was only 1,218,000 shares or HK\$710,270. The Company hereby makes this announcement on the aforesaid matter to keep the market informed thereof.

Announcement pursuant to Rule 3.7 of the Takeovers Code

Reference is made to the announcement of the Company on 10 May 2007 (the “**Announcement**”).

In the Announcement, the Company announced that the Board was informed by Elite Side Profits Limited, the controlling shareholder of the Company (the “**Controlling Shareholder**”), that it had recently been approached by an investor (who is independent third party of the Company) who indicated interest in acquisition of all the shares in the Company held by the Controlling Shareholder without any acquisition proposal, and no definitive and final terms had been agreed by the parties to the acquisition.

The Board was informed by the Controlling Shareholder that there was no significant progress in the discussion in relation to the acquisition of its shares, and no acquisition proposal nor any definitive and final terms had been agreed by the parties to the acquisition as at the date of this Announcement.

In view of the high concentration of the shares in the hands of a small number of shareholders, the price of the shares could fluctuate substantially even with a small number of shares traded, shareholders and potential investors are reminded to exercise caution when dealing in the shares of the Company.

Made by the order of the Board, the Directors of which collectively and individually accept responsibility for the accuracy of this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts contained in this announcement the omission of which would make any statement in this document misleading.

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:

Chu Yen Ling
Lee Chan Wah

Independent Non-executive Directors:

Lu Da
Lau Man Yiu
Xue Xiaoyi

By Order of the Board
Global Solution Engineering Limited
Chu Yen Ling
Chairman

Hong Kong, 8 June 2007

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the “Latest Company Announcements” page of the GEM website for at least seven days from the day of its posting.